

**Phone Conversation: U.S. EPA, Perfect Equipment, and Abt Associates, Inc.  
8/17/2010**

**Contacts: Mike Astorino, Mac Jones (VP of Operations), Mike Persley (Marketing and Sales)**

**firstinitiallastname@perfectequipment.com**

#### **General Information**

- Two domestic lead wheel weight manufacturing companies represent 85% of the wheel weight industry
- Costco, Walmart have switched to selling lead-free weights

#### **Cost Information**

- Switching from lead weights requires new tooling, scrapping the old process, and starting a whole different production process
- Perfect Equipment currently manufactures lead-free products
  - They have systems in place for lead-free production, but they would need to add more capacity if they were to switch all production to lead-free weights
- For wheel weight installers switching to lead-free weights, economic impacts would be insignificant due to market forces
- The price of a lead-free weight is on average 10% to 15% more than a similar lead weight
- To switch to lead-free weights, average cost per tire would be \$0.25
- A lead-free weight might cost \$0.40, whereas the overall cost of the labor for rebalancing service is \$12-\$16
  - When viewed with respect to the overall cost of servicing, the price of the wheel weight is insignificant

#### **Comments on Potential Regulation**

- Managing different production and inventories for different state rules is very burdensome and costly
- Would prefer that the industry be left to decide what alternatives should be used
- Requested that EPA consider site visits to manufacturing facilities